## OKLAHOMA GENETICS, INC. CLEARFIELD® ADDENDUM TO AFFILIATE AGREEMENT

THIS CLEARFIELD® ADDENDUM TO AFFILIATE AGREEMENT is entered into on
(the "Effective Date"), by and between Oklahoma Genetics,
Inc., an Oklahoma § 501(c)(5) nonprofit corporation ("OGI"), and
. ("AFFILIATE") (collectively, the "Parties").
WHEREAS, OGI is the owner or exclusive licensee of numerous proprietary seed varieties, including certain seed varieties that incorporate proprietary genetic traits, herbicide tolerances or other technology licensed from BASF Agrochemical Products B.V. ("BASF"); and
WHEREAS, AFFILIATE desires to produce and sell seed of one or more such proprietary seed varieties incorporating BASF's proprietary traits, herbicide tolerances or other technology licensed from BASF (such varieties hereafter referred to as "Clearfield® Varieties"), subject to the strict terms and conditions imposed by OGI.
NOW, THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:
1. <u>Definitions</u> . As used in this Agreement, the defined terms have the following meaning:
1.1 "Agreement" means this Oklahoma Genetics, Inc. Clearfield® Addendum to Affiliate Agreement.
patents and pending patent applications in any country which are necessary to make, have made, use, import, offer for sale, sell or have sold Licensed Products, including but not limited to all provisional applications, substitutions, continuations, continuations-in-part, divisions, and renewals, all letters patent granted thereon, and all reissues, reexaminations and extensions thereof, whether owned solely or jointly by BASF or otherwise controlled by BASF with the right to transfer rights therein. The term "BASF Patent Rights" shall also include Plant Variety

1.3 "Clearfield® Care Protocol" means the protocol for best practices for meeting BASF's standards for the absence of Adventitious Presence (as defined in such

Protection Certificates, Plant Breeders rights and their equivalents owned by BASF throughout

the world.

protocol), attached here as Schedule V, as such Schedule may be amended from time to time by BASF or OGI in their sole discretion, notwithstanding the provisions of Paragraph 16.2.

- 1.4 "Clearfield® Variety(ies)" means a proprietary seed variety incorporating one or more of BASF's proprietary traits, herbicide tolerances or other technology.
- 1.5 "Clearfield Trademarks" means those trademarks, trade names, trade dress, service marks, and logos identified in Schedule VI, as such Schedule may be amended by BASF or OGI from time to time in their sole discretion, notwithstanding the provisions of Paragraph 16.2.
- 1.6 "Clearfield® Wheat Stewardship Grower Agreement" means the agreement between BASF and a Grower for undertaking Cultivation of Licensed Products, in the forms established by BASF and/or OGI from time to time during the term of this Agreement.
- 1.7 "Commercialization" and "Commercialize(d)" means, in the Licensed Territory, the offer for sale, sale, and/or distribution of Licensed Products to Growers in accordance with the terms and conditions of this Agreement and the OGI Affiliate/Provisional Agreement.
- 1.8 "Confidential Information" means any and all information received from the other Party that is marked confidential, or information that should reasonably have been understood by either Party, because of legends or other markings, the circumstances of disclosure, or the nature of the information itself, to be proprietary and confidential to the other Party. Confidential Information shall not include information that: (i) was, is or becomes public knowledge in a manner other than by breach of this Agreement or other fault of the receiving Party; (ii) is acquired by the receiving Party from a third party not owing a duty of confidentiality to the disclosing Party; (iii) before receipt from the disclosing Party, was lawfully possessed by the receiving Party without a duty of confidentiality to the disclosing Party; or (iv) is independently developed by the receiving Party.
- 1.9 "Cultivate" or "Cultivation" means to plant and grow Licensed Products and harvest the resulting grain solely as grain that may be sold as human food, animal feed or other commodity but, for the avoidance of doubt, not as seed for propagation. For the purpose of clarity, Cultivation expressly excludes the use of any OTT Methodology.
- 1.10 "Distributor(s)" means a retailer or other seed reseller authorized by AFFILIATE, with OGI's consent, to Commercialize Licensed Products to Growers. For avoidance of doubt, a Distributor shall not be considered a Producer Sublicensee unless OGI separately grants a sublicense to such Distributor.
- 1.11 "Grower" means any third party who has executed a Clearfield® Wheat Stewardship Grower Agreement and with respect to whom such Clearfield® Wheat Stewardship Grower Agreement remains in full force and effect for the then-current growing season.
- 1.12 "Licensed Product(s)" means the seed of those Clearfield® Varieties licensed by OGI to AFFILIATE under this Agreement.

- 1.13 "Licensed Territory" means the United States of America.
- 1.14 "OGI Affiliate/Provisional Agreement" means the underlying Oklahoma Genetics, Inc. Affiliate Agreement, which is a companion to this Agreement and prerequisite to AFFILIATE's eligibility for a license under this Agreement.
- 1.15 "OTT Methodology" means that portion of BASF technology consisting of methods or processes, whether such methods or processes are know-how or covered by any claim(s) in any BASF Patent Rights, that involve the application of an AHAS-inhibiting herbicide (including, without limitation, an Imidazolinone Herbicide):
  - 1.15.1 over the top of, or in the vicinity of, any plant exhibiting resistance to or tolerance toward an AHAS-inhibiting herbicide, including, but not limited to, any wheat plant that contains a Tolerant Trait, and is bred, multiplied, or grown as permitted hereunder;
  - 1.15.2 to a growth medium for such plant, e.g. soil; or
  - 1.15.3 over the top of weeds present in such growth medium.
- 1.16 "Process(ing)" means all activities necessary with respect to the handling, cleaning, testing, treatment, sizing, bagging and/or packaging, labeling and storage of Licensed Products, including, without limitation, storage and disposal of any residues and/or wastes generated by any of the activities to which this paragraph refers.
- 1.17 "Produce(d)" and "Production" mean all activities necessary with respect to multiplying Licensed Products in accordance with the Production Protocol, Clearfield® Care Protocol and Quality Control Procedure.
- 1.18 "Producer Sublicensee" means any Affiliate sublicensed by OGI to engage in Production and/or Processing according to the terms and conditions of this Agreement and the OGI Affiliate/Provisional Agreement.
- 1.19 "Production Protocol" means the protocols for production management best practices attached hereto as Schedule VII, as such Schedule may be amended by BASF or OGI from time to time in their sole discretion, notwithstanding the provisions of Paragraph 16.2.
- 1.20 "Quality Control Procedure" means the procedure for quality control best practices attached hereto as Schedule VIII, as such Schedule may be amended by BASF or OGI from time to time in their sole discretion, notwithstanding the provisions of Paragraph 16.2.
- 1.21 "Stewardship Guidelines for Clearfield Trademarks" means those guidelines for best practices for usage of Clearfield Trademarks attached hereto as Schedule VI, as such Schedule may be amended by BASF or OGI from time to time in their sole discretion, notwithstanding the provisions of Paragraph 16.2.
- 1.22 "Stewardship Guidelines for Growers" means those guidelines for weed resistance management and other agronomic best practices attached hereto as Schedule IV, as

such Schedule may be amended from time to time by BASF or OGI in their sole discretion, notwithstanding the provisions of Paragraph 16.2.

1.23 "Tolerant Trait" means (i) a mutant gene in the D genome of *Triticum aestivum* encoding an AHAS protein with an AHAS large subunit (AHASL) having an S653(At)N mutation, which was obtained from the CV9804 (FS-4) donor line that contains the mutant AHASL1D gene and (ii) a mutant gene in the B genome of *Triticum aestivum* encoding an AHAS protein with an AHAS large subunit (AHASL) having an S653(At)N mutation, which was obtained from either the Teal 11A donor line or the N91D2308-13 donor line, each of which contain the mutant AHASL1B gene, or (iii) combinations thereof which proteins encoded by any of the above genes are resistant to or confer tolerance, upon a cell, seed or plant, toward at least one AHAS inhibitor, and any and all naturally occurring derivatives arising therefrom.

#### 2. License.

- 2.1 Subject to the terms and conditions of this Agreement and the OGI Affiliate/Provisional Agreement, and subject to compliance with state and federal laws, OGI hereby grants to AFFILIATE a non-exclusive, nontransferable, royalty-bearing, limited license to Produce, Process, use, make, market, sell, and offer for sale in the Licensed Territory the Clearfield® Varieties specified on Schedule 1 of the OGI Affiliate/Provisional Agreement.
- 2.2 This grant of License is strictly conditioned upon AFFILIATE's compliance with this Agreement and the OGI Affiliate/Provisional Agreement. AFFILIATE must have first executed a valid and current OGI Affiliate/Provisional Agreement, and AFFILIATE hereby represents and warrants that it has, in order to be eligible for a License under this Agreement. Any sale of OGI's protected varieties, including Clearfield® Varieties, in violation of this Agreement is deemed to exceed the scope of the License and to constitute infringement of OGI's, and possibly BASF's, intellectual property rights. For example, the sale of non-certified Licensed Product, or the sale of Licensed Product without reporting it to OGI, exceeds the scope of the License and constitutes infringement under the PVPA, and possibly BASF Patent Rights, as well as a material breach of this Agreement.
- 2.3 This License does not include the right to grant sub-licenses to other parties. In the event AFFILIATE sells Licensed Product indirectly, and only if permitted under this Agreement, then such contract between AFFILIATE and such third party distributor shall be no less restrictive than the terms of this Agreement, and in no event shall such third party distributor have the right to multiply any seed initially sourced through this Agreement. AFFILIATE agrees not to knowingly distribute any Licensed Product to any third party who intends to use or distribute such seed in breach of the terms of this Agreement or the OGI Affiliate/Provisional Agreement.
- 2.4 The unauthorized Production, Processing, offering, distribution, storage, marketing, selling, consigning, transferring title or possession, multiplication or propagation of Licensed Product is strictly prohibited. AFFILIATE shall make no use of Licensed Product other than in strict conformity with this License. For the elimination of doubt, the omission of any potential use of Licensed Product in this provision shall not be interpreted to mean that such omitted use is permitted.

- 2.5 Notwithstanding any other provision of this Agreement (including without limitation the license grant in Paragraph 2.1):
  - 2.5.1 The sale of Licensed Products to a Grower shall not include any right, license or sublicense to Cultivate or to use or practice OTT Methodology in connection with such Licensed Products;
  - 2.5.2 Subject to the following proviso, AFFILIATE shall not have any right or license for the use or practice of OTT; provided, however, that AFFILIATE shall have the limited right to use or practice OTT Methodology for the sole purpose of undertaking Production on behalf of or for the benefit of OGI;
  - 2.5.3 AFFILIATE acknowledges and agrees that BASF, and not OGI or AFFILIATE, has the exclusive right to grant to Growers a license to (i) Cultivate and (ii) to use and practice OTT Methodology in connection with such Cultivation; and
  - 2.5.4 AFFILIATE shall not, and shall ensure its Distributors do not, offer for sale, sell or otherwise distribute Licensed Products to any third party that is not a Grower. For the sake of clarity, AFFILATE and its Distributors may only sell Licensed Products to third parties who have signed a Clearfield® Wheat Stewardship Grower Agreement that is in full force and effect at the time of such sale.

#### 3. Production and Processing of Licensed Product.

- 3.1 During the term of this Agreement, AFFILIATE shall undertake the Production and Processing, at AFFILIATE's sole cost and expense, in accordance with (a) the Production Protocol, (b) the Clearfield® Care Protocol, (c) the Quality Control Procedure, (d) industry standards for such Production and Processing, and (e) the OGI Affiliate/Provisional Agreement. In the event of a conflict between this Agreement and either the OGI Affiliate/Provisional Agreement or industry standards, as to the requirements and protocol for Production and Processing, then this Agreement shall control.
- 3.2 AFFILIATE acknowledges the importance of preventing any Adventitious Presence (as defined in the Clearfield® Care Protocol) in any Licensed Product, and further acknowledges that Adventitious Presence in any Licensed Product may result in violation of applicable laws. Notwithstanding the generality of AFFILIATE's obligations under the preceding paragraph, AFFILIATE shall not sell, and shall ensure that no Distributor sells, to a Grower any Licensed Product possessing levels of Adventitious Presence exceeding those levels specified in the Clearfield® Care Protocol.
- 3.3 AFFILIATE shall maintain control of all Licensed Product during production and not delegate control to any third party. All seed shall be planted on AFFILIATE's own land, or pursuant to the terms of a written seed production contract subject to any and all terms of this Agreement and specifically granting AFFILIATE control of the resulting product. Notwithstanding the foregoing, AFFILIATE shall be responsible to OGI for any breach of this

Agreement arising or resulting in any way from the acts or omissions of a third party contractor. Upon request, AFFILIATE will provide a copy of any such contract to OGI within thirty (30) calendar days.

- 3.4 AFFILIATE shall use care in all aspects of Production, Processing and selling Licensed Product to assure that AFFILIATE markets high quality seed products conforming to the minimum standards of its state's Crop Improvement Association, OGI and this Agreement. AFFILIATE shall use commercially reasonable efforts to maintain all purity standards and herbicide tolerance standards. In the event any Licensed Product fails to meet such standards, AFFILIATE shall immediately cease selling such seed and notify OGI of its dissemination of any non-conforming seed.
- 3.5 Except as provided in the following section concerning affiliate-to-affiliate transfers, all Licensed Product shall only be sold or transferred as a class of Certified Seed. AFFILIATE is responsible for complying with all regulations and standards necessary to obtain certification of the Licensed Product, such as field certification, approved conditioning, and purity and germination testing. Any Licensed Product that fails certification or otherwise does not conform to the requirements of this Agreement cannot be used, marketed or sold as seed, and AFFILIATE shall take steps to carefully document the proper disposal of such non-certified seed in accordance with BASF's and OGI's requirements.
- 3.6 No Licensed Product variety shall be blended with any other variety. Only sales of pure, single-variety Licensed Product are authorized under this License.
- 3.7 AFFILIATE's obligation to maintain quality control of Licensed Product in accordance with federal and state laws and this Agreement constitutes a material term of this Agreement.

#### 4. Affiliate-to-Affiliate Transfers.

- 4.1 Where AFFILIATE (the "Distributing Affiliate") transfers or sells Licensed Product to another OGI-licensed Affiliate, the Distributing Affiliate shall report and pay the required royalties in accordance with the terms of this Agreement, the same as sales to other customers. The Distributing Affiliate has the responsibility for providing verifiable documentation of any such sale or transfer to another Affiliate.
- 4.2 However, notwithstanding the other restrictions in this Agreement that require all sales be of Certified Seed (which contemplates conditioned seed), AFFILIATE is authorized to sell or transfer "bulk unconditioned" seed of a variety licensed hereunder to another OGI-licensed Affiliate (the "Purchasing Affiliate"), so long as such seed otherwise conforms to certification requirements (including without limitation, that it was raised on eligible ground and passed field inspections) and subject to the following additional conditions:
  - 4.2.1 The Distributing Affiliate must first confirm, prior to any such sale or transfer, that the Purchasing Affiliate is duly licensed to sell Licensed Product, which specifically includes Clearfield® Varieties. OGI will provide such information upon request by the Distributing Affiliate.

- 4.2.2 The Distributing Affiliate must promptly (not longer than 7 calendar days after the sale or transfer) notify OGI of such sale or transfer and provide a copy of certification transfer and reports.
- 4.2.3 The Receiving Affiliate shall be primarily responsible for reporting and payment of royalties on such bulk unconditioned seed. However, the Distributing Affiliate remains secondarily responsible for payment of royalties, and OGI reserves all rights to demand payment from either Affiliate, notwithstanding anything to the contrary in this section.

#### 5. Distributors.

- 5.1 Subject to OGI's consent, which OGI may revoke at any time with or without cause, AFFILIATE is authorized to sell Licensed Product through one or more Distributors.
- 5.2 This Agreement requires AFFILIATE to strictly comply with various terms and conditions, including but not limited to AFFILIATE's obligation to obtain executed original Clearfield® Wheat Stewardship Grower Agreements from each and every Grower purchasing Licensed Product. Because AFFILIATE is legally responsible for ensuring its Distributors (and other agents), if any, strictly comply with the same terms and conditions, it is incumbent upon AFFILIATE to obtain from its Distributors (e.g., a retailer or cooperative) a signed and written acknowledgement of such terms and conditions and an agreement to be bound by them. As one example, AFFILIATE should not sell or supply any Licensed Product to a retailer or cooperative without first obtaining the executed written agreement of such retailer or cooperative requiring their full compliance with the same obligations and restrictions of AFFILIATE under this Agreement and the OGI Affiliate/Provisional Agreement. AFFILIATE shall provide a copy of such written distribution agreement(s) to OGI upon request. For the avoidance of any doubt, if a Distributor of AFFILIATE fails to comply with a term or condition of this Agreement, for example by failing to obtain executed original Clearfield® Wheat Stewardship Grower Agreements from each and every Grower purchasing Licensed Product, then AFFILIATE is in breach of this Agreement.
- 5.3 Further, AFFILIATE should not permit, and should expressly forbid, any Distributor to sell or supply Licensed Product to other distributors further downstream. AFFILIATE's Distributors, if any, may only sell Licensed Product to Growers. Multi-level distribution chains are forbidden.
- 5.4 OGI, in its sole discretion, may deny AFFILIATE the right to distribute or supply Licensed Product to or through one or more specific Distributors or other third parties by giving written notice to AFFILIATE of such restriction.
- 5.5 AFFILIATE shall take care to ensure its Distributors timely and accurately report all sales and other information required of AFFILIATE.

#### 6. Lot Samples and Records.

- 6.1 Notwithstanding, and in addition to, any records and/or seed retention requirements set forth in Schedules V and/or VIII and the OGI Affiliate/Provisional Agreement, AFFILIATE shall retain records for and retention samples of four hundred grams (400g) per batch of twenty (20) tons of seed of each Licensed Product Produced by it for at least three (3) years after the date of Production of each such lot. AFFILIATE shall collect such retention samples according to the then-current standard methods of the (i) International Seed Testing Association (ISTA) or (ii) Association of Official Seed Analysts (AOSA). Retention samples shall only be destroyed after the expiration of the three (3)-year period specified in this paragraph. AFFILIATE shall dispose of retention samples in accordance with BASF's written directions.
- 6.2 During the term of this Agreement and thereafter until the statute of limitations for claims under this Agreement in the relevant jurisdiction expires, AFFILIATE shall assist OGI and BASF with respect to any complaint, issue or investigation relating to any Licensed Product including, without limitation, making available to OGI and BASF any and all records and retention samples to which the preceding paragraph refers.

#### 7. Trademarks.

- 7.1 AFFILIATE shall Commercialize, and shall ensure its Distributors Commercialize, all Licensed Products under the Clearfield Trademarks. AFFILIATE shall ensure that the placement of Clearfield Trademarks on all Licensed Product packaging, bags and promotional materials, including, without limitation, seed catalogues, bags, tags, and field signs shall be prominently visible. AFFILIATE shall affix to or include in, as applicable, all trademark legends, copyright notices, and such other indicia of intellectual property rights that BASF and/or OGI requires on all packaging, literature and other materials used to Commercialize. AFFILIATE shall perform the obligations under this paragraph in compliance with all applicable laws and customary trademark stewardship standards and practices in the United States, and in accordance with the Stewardship Guidelines for Clearfield Trademarks. Notwithstanding Paragraph 5.4 of the OGI Affiliate/Provisional Agreement, Licensed Products under this Agreement (i.e., seed of Clearfield® Varieties) must bear both the Clearfield Trademarks mandated under this Article 7 along with the required markings under Article 5 of the OGI Affiliate/Provisional Agreement.
- 7.2 All advertising, promotion materials (including all labels, packaging, containers and displays), websites and catalogues that include or refer to any of the Clearfield Trademarks, alone or in connection with Licensed Products, and all display and showroom presentations that include the Clearfield Trademarks, shall adhere in all respects to the Stewardship Guidelines for Clearfield Trademarks. Upon BASF's or OGI's request, AFFILIATE shall provide BASF, OGI or their respective representatives, without charge to BASF or OGI, (i) samples of Licensed Product packaging, literature, and other materials for BASF's review, and (ii) layouts for all displays of presentations and all copy, designs and layouts of advertising, promotional materials, websites and catalogues, with a list of media outlets in which such copy, design or layouts have been placed. If BASF or OGI requests a change in any of the foregoing materials, AFFILIATE shall timely comply with such request. In the event that any packaging,

labeling or advertising materials bearing the Clearfield Trademarks or OGI's trademarks do not, in BASF's or OGI's reasonable judgment, meet the specifications or quality standards set forth in this Agreement, including the Stewardship Guidelines for Clearfield Trademarks, or established by BASF or OGI during the term hereof, BASF and/or OGI shall notify AFFILIATE in writing of any such deficiencies. AFFILIATE shall not Commercialize or otherwise distribute any Licensed Products bearing the Clearfield Trademarks if AFFILIATE has been notified by BASF or OGI that any packaging, labeling or advertising materials bearing the Clearfield Trademarks fails to meet any such specifications or quality standards. For the avoidance of doubt, AFFILIATE understands and agrees that any review by BASF or OGI pursuant to the provisions of this paragraph will not constitute any certification of compliance, or assumption of any responsibility or liability, by BASF or OGI with respect to the adequacy of compliance by AFFILIATE of its obligations under this paragraph.

- 7.3 AFFILIATE will bear its own costs and expenses in connection with the activities referenced in this Article 7.
- 7.4 For the avoidance of any doubt, these trademark and related labeling requirements and restrictions, along with all other requirements and restrictions in this Agreement, are in addition to the requirements and restrictions of the OGI Affiliate/Provisional Agreement.
- 7.5 AFFILIATE shall not, and shall cause its Distributors to not, at any time use, promote, advertise, display or Commercialize any of the Clearfield Trademarks or any OGI trademarks in a manner that adversely affects any rights of ownership of BASF, OGI or their respective affiliates or in a manner that derogates or detracts from their repute.
- 7.6 AFFILIATE shall not contest, and shall procure the obligation of each of its Distributors not to contest, (i) BASF's, OGI's or any of their respective affiliates' ownership rights, title, or interest in or to any Clearfield Trademark or OGI trademark or (ii) the validity of any Clearfield Trademark or OGI trademark or any registration with respect to any Clearfield Trademark or OGI trademark.
- 7.7 AFFILIATE shall, and shall procure the obligation of all of its Distributors to: (i) not use any Clearfield Trademark or the term "Clearfield" as an element of any corporate name, trade name or other entity identifier; (ii) not use any of the Clearfield Trademarks as any part of a telephone listing or URL without the prior written approval of BASF; (iii) not cause, directly or indirectly, any act or omission which may impair any of BASF's or its affiliates' rights, title, or interest in or to any Clearfield Trademark; and (iv) cooperate and assist BASF and its affiliates, at BASF's cost and expense, in protecting their respective rights, title, and interest in and to the Clearfield Trademarks.
- 7.8 AFFILIATE shall not, and AFFILIATE shall procure the obligation of its Distributors to not, register or apply to register (i) any of the Clearfield Trademarks; (ii) any other marks that comprise a composite of any Clearfield Trademarks with any other word, design or symbol; or (iii) any mark that, when applied to the Licensed Products, so closely resembles a Clearfield Trademark as to cause the likelihood of confusion.

- 7.9 AFFILIATE shall promptly notify BASF and OGI, and AFFILIATE shall cause all of its Distributors to promptly notify BASF and OGI, of any infringement of any Clearfield Trademark or OGI trademark or of any infringement of BASF's, OGI's or any of their respective affiliates' copyrights, trademarks, trade dress or logos of which AFFILIATE or its Distributors becomes aware. AFFILIATE shall cooperate fully with BASF, OGI, and/or their respective affiliates in any action they take to terminate any such infringement including, without limitation, joining any such action as a party complainant at their request.
- 7.10 AFFILIATE shall ensure that Licensed Products are marked with all applicable patent numbers, as directed by BASF or OGI, and in accordance with all applicable laws and regulations relating thereto. AFFILIATE shall use, and shall ensure that its Distributors use, on seed packages or other applicable packaging, all other information which BASF or OGI in their sole discretion may designate, and in accordance with all applicable laws and regulations governing same.

#### 8. Stewardship Program.

8.1 AFFILIATE shall, and shall ensure that its Distributors, obtain from each third party that desires to purchase any Licensed Product an executed original Clearfield® Wheat Stewardship Grower Agreement prior to Commercialization of seed of any such Licensed Product to such third party. AFFILIATE shall, and shall ensure that its Distributors, deliver such executed originals to OGI within five (5) business days following the end of the calendar month in which AFFILIATE or such Distributor sold or otherwise transferred such seed to such Growers. AFFILIATE shall, and shall cause its Distributors to, provide a copy of the Stewardship Guidelines for Growers to all Growers who purchase seed of Licensed Products.

### 9. Recordkeeping Requirements.

9.1 AFFILIATE's recordkeeping obligations constitute a material term of this Agreement.

#### 10. Attorney's Fees.

10.1 In the event of litigation to enforce any term or condition of this Agreement, or to recover damages for a violation of this Agreement, then the prevailing party shall be entitled to its reasonable attorney's fees, costs and expenses incurred in connection with such enforcement and litigation.

## 11. Warranties; Limitations; Disclaimers.

11.1 OGI warrants that the Licensed Product sold to AFFILIATE by OGI hereunder will conform to the label and tag descriptions within tolerances allowed by law. THE FOREGOING IS IN LIEU OF AND OGI EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE. OGI'S LIABILITY FOR BREACH OF THE FOREGOING WARRANTY AND FOR ANY OTHER CLAIMS RELATED TO SUCH SEED PROVIDED BY OGI HEREUNDER IS LIMITED TO A REFUND OF THE PRICE PAID BY AFFILIATE

FOR THE SEED CLAIMED TO BE DEFECTIVE OR NONCONFORMING. NO CLAIM SHALL BE ASSERTED AGAINST OGI UNLESS AFFILIATE REPORTS TO OGI WITHIN A REASONABLE PERIOD AFTER DISCOVERY (NOT TO EXCEED THIRTY DAYS), ANY CONDITION THAT MIGHT LEAD TO A CLAIM THAT THE SEED DID NOT CONFORM TO THE LABEL DESCRIPTION.

11.2 UNDER NO CIRCUMSTANCES AND UNDER NO LEGAL THEORY IN TORT, CONTRACT OR OTHERWISE, SHALL OGI BE LIABLE TO AFFILIATE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY CHARACTER, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS OR LOST PRODUCTS, OR ANY AND ALL OTHER COMMERCIAL DAMAGES OR LOSSES EVEN IF INFORMED OF THE POSSIBILITY THEREOF IN ADVANCE.

#### 12. Indemnification.

AFFILIATE shall defend, indemnify and hold harmless OGI, its licensors, and its and their respective officers, employees and agents from and against all losses, damages, expenses (including attorney's fees and costs), claims, suits and liabilities to the extent caused by negligence, willful misconduct or other alleged or actual violation of any third party license requirements or applicable law by AFFILIATE or any of its employees, agents or subcontractors; provided OGI first provides prompt notice of such claim, suit and/or liability to AFFILIATE. AFFILIATE shall, upon OGI's request, immediately assume the handling, negotiation and defense of any such claim for which AFFILIATE is responsible and shall keep OGI fully informed of all developments related to such activities. OGI may elect at any time to assume handling, negotiation and defense of any such claim and may settle such claims or suits in its sole discretion. Notwithstanding the preceding sentence, any liability, damages and costs awarded against OGI shall be reimbursed by AFFILIATE. AFFILIATE's obligations to indemnify and defend OGI under this paragraph shall include, without limitation, any claim or suit brought by BASF against OGI caused in whole or in part by AFFILIATE's (including AFFILIATE's Distributors and agents) negligence, willful misconduct or other alleged or actual violation of this Agreement or infringement of BASF's intellectual property rights.

#### 13. Confidential Information.

- 13.1 This Agreement and its terms constitute Confidential Information of OGI and/or BASF. AFFILIATE's confidentiality obligations under the OGI Affiliate/Provisional Agreement apply with full force to this Agreement.
- Distributors only such information as necessary to ensure each Distributor's full compliance with all requirements and restrictions of this Agreement and the OGI Affiliate/Provisional Agreement. However, before disclosing any Confidential Information to a Distributor, AFFILIATE shall notify the Distributor of the confidential nature of the information and shall obtain the Distributor's written consent to be bound by confidentiality obligations no less restrictive than the confidentiality obligations to which AFFILIATE is bound. Upon request by OGI, AFFILIATE shall provide OGI with a copy of any such written confidentiality agreements between AFFILIATE and its Distributors.

#### 14. Term and Termination.

- 14.1 The term of this Agreement shall commence on the Effective Date and continue until December 31 of the following year, subject to annual renewal by execution of a Renewal Addendum. OGI has sole discretion in deciding whether to permit renewal in subsequent years and may take into consideration supply and demand forecasts and any other information or circumstances OGI deems relevant. This Agreement in no way entitles AFFILIATE to subsequent renewals, and OGI is not obligated to explain or defend any decision not to renew.
- 14.2 This Agreement may be terminated by either Party in the event of a material breach by the other Party. Additionally, should OGI's license of one or more of BASF's proprietary traits, herbicide tolerances or other technology incorporated in the Clearfield® Varieties be terminated, revoked or modified, then OGI may terminate this Agreement immediately. Additionally, termination of the OGI Affiliate/Provisional Agreement shall automatically cause the immediate termination of this Agreement.
- 14.3 AFFILIATE's obligation to pay royalties for Licensed Products sold or transferred during the term of this Agreement shall survive termination of this Agreement. AFFILIATE's recordkeeping obligations and OGI's right to audit AFFILIATE shall survive termination of this Agreement and shall only expire in accordance with the time limitations set forth under those provisions. The Parties' mutual obligations to preserve the confidentiality of Confidential Information shall survive termination of this Agreement.

#### 15. Notice.

- 15.1 NOTICE TO AFFILIATE: Any notice required to be given to AFFILIATE under this Agreement shall be in writing and delivered or mailed to AFFILIATE at its physical or mailing address on file with OGI. AFFILIATE shall ensure at all times that OGI is provided with AFFILIATE's current physical and mailing address information. In the event AFFILIATE claims not to have received notice from OGI due to a failure by AFFILIATE to provide current physical and mailing address information to OGI, then AFFILIATE is deemed to have waived the requirement of such notice.
- 15.2 NOTICE TO OGI: Any notice required to be given to OGI under this Agreement shall be in writing and mailed to OGI at 201 South Range Road, Stillwater, OK 74074-1559, or at such other address as OGI may notify AFFILIATE in writing from time to time.

#### 16. Miscellaneous.

16.1 ENTIRE AGREEMENT: This Agreement, the attached Schedule(s), and the OGI Affiliate/Provisional Agreement together constitute the entire agreement of the parties concerning AFFILIATE's authorization to produce, use, market and sell Licensed Product. This Agreement, together with the attached Schedule(s) and the OGI Affiliate/Provisional Agreement, supersedes all prior agreements between the Parties and is intended as a final expression of their agreement. All terms and conditions of the OGI Affiliate/Provisional Agreement are incorporated herein by reference; however, in the event of a conflict of a term or condition, then

the term or condition of this Agreement will control over the term or condition of the OGI Affiliate/Provisional Agreement.

- 16.2 MODIFICATION: This Agreement may only be modified in a writing signed by the Parties.
- 16.3 NON-ASSIGNABLE: AFFILIATE may not assign its rights or obligations under this Agreement.
- 16.4 NON-WAIVER: No waiver by any Party of any condition or of the breach of any term contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or considered as, a further or continuing waiver of any such condition or of the breach of such term or any other term of this Agreement.
- 16.5 SEVERABILITY: In the event any one or more of the provisions contained in this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect the remaining provisions of this Agreement. In lieu of the stricken provision, a provision as close to the stricken provision as allowed by then-prevailing law shall be inserted into this Agreement.
- 16.6 CHOICE OF LAW AND FORUM SELECTION: This Agreement is governed by the laws of the State of Oklahoma and the United States, without regard to conflict of law provisions. Any claim or dispute arising hereunder or relating to the subject matter of this Agreement must be filed in a state or federal court located in Oklahoma. The Parties submit to the personal jurisdiction of the courts located within Oklahoma for the purpose of litigating all such claims or disputes.
- 16.7 COUNTERPARTS: This Agreement may be executed in multiple counterparts all of which together shall be deemed one and the same instrument. A facsimile or electronic signature on any counterpart shall operate as an original signature.

IN WITNESS WHEREOF, the Parties have caused this agreement to be duly executed, effective as of the date first written above.

OKLAHOMA GENETICS, INC.	AFFILIATE:
Signed:	Signed:
Title:	Title:
Date:	Date:

## Schedule I

[See Schedule 1 to OGI Affiliate Agreement]

## Schedule II

[OMITTED]

Schedule III

[OMITTED]

## Schedule IV

## **Stewardship Guidelines for Growers**

[See attached]

# D-BASF

## Clearfield® Wheat Stewardship Guidelines 2011 - 2012

The **Clearfield** trait is a novel, non-genetically modified (non-GMO) crop herbicide tolerance technology discovered by BASF researchers that provides wheat tolerance to imazamox, the active ingredient in **Beyond®** herbicide. Proper stewardship should be practiced to ensure consistent performance and benefit from the **Clearfield** technology for years to come.



## Yield

**Beyond** provides excellent management of yield-robbing weeds like jointed goatgrass, feral rye, downy brome, cheatgrass and kochia (non-ALS-resistant).

## Grain Quality

Excellent weed control translates into cleaner grain at harvest and less discounts taken at the elevator.

## Land Value

Controlling weeds before they go to seed reduces the weed seed bank in the soil, thereby improving the ground you farm.

## Simple

Broad-spectrum utility of **Beyond** takes the guesswork out of weed control.





## Clearfield® Wheat Stewardship Guidelines

To ensure that the benefits of Clearfield wheat technology continue to be available to wheat producers, certain stewardship practices should be followed. Clearfield wheat producers are asked to help protect and prolong the usefulness of this technology by following specific requirements and recommendations to help prevent the onset of herbicide resistance in weeds. To obtain the maximum benefit of the Clearfield wheat technology, Grower should apply an imidazolinone herbicide registered for use on Clearfield wheat, such as BASF's Beyond® herbicide.

- In the event that Grower elects to apply an imidazolinone herbicide registered for use on Clearfield wheat or to the area where Clearfield wheat is grown, Grower must obtain a license from BASF or a BASF-authorized designee for such purposes.
- In the event that Grower elects to obtain a license from BASF or a BASF-authorized designee to apply imidazolinone herbicide registered for use on Clearfield wheat or to the area where Clearfield wheat is grown and uses Beyond herbicide, then Grower agrees to do so in accordance with the product label, including stated label rate and timing.
- Grower may obtain a license to apply an imidazolinone herbicide reaistered for use on Clearfield wheat, such as BASF's Beyond herbicide, by purchasing such registered herbicide.
- Grower must purchase new seed (registered or certified) every year from an authorized Clearfield seed retailer. This means that saving seed to plant next year's crop is not allowed (NO "brown-bagging" or "bin-running").
  - Seed increase fields (foundation, registered, and certified) are grown following strict guidelines which ensure the fields are free of noxious weeds and "off-type" wheat.
- Use of registered or certified seed ensures proper herbicide tolerance to Beyond herbicide and prevents contamination from a non-Clearfield variety.

In the event that Grower elects to obtain a license from BASF or BASF's authorized designee to apply imidazolinone herbicide, and uses such an herbicide, on Clearfield wheat or on the area where Clearfield wheat is grown, Grower should:

- Utilize crop rotation.
- Avoiding continuous cropping of Clearfield wheat on the same acre(s) may reduce the onset of weedy off-types (ex., out-crossed, imidazolinone-tolerant jointed goatgrass).
- Rotation of Clearfield wheat with spring crops such as corn, sorghum, sunflowers, soybeans, dry beans or peas, breaks the cycle of winter annual weeds and allows the use of alternate mode-of-action herbicides.

- Properly manage weeds in wheat-fallow-wheat rotations.
- In the fallow year, control weeds (especially winter annuals) before they set seed. Control should be obtained through the use of burndown (non-ALS-inhibiting) herbicides and/or tillage.
- Use herbicides with different modes of action.
  - Limit the sole reliance on ALS-inhibiting herbicides (Group 2); no more than 2 out of 4 years in an effort to lessen the onset of ALS-resistance in weeds.
- Always use a certified adjuvant and a nitrogen source with Beyond herbicide.
  - On 1-gene Clearfield winter wheat varieties: Use a non-ionic surfactant (NIS at 0.25% v/v) with at least 80% active load (ex., 80/20) with Beyond herbicide.
  - On 2-gene Clearfield wheat (spring and winter) varieties: Use either a NIS at 0.25% v/v or MSO at 1% v/v with Beyond herbicide only. Only use MSO in Beyond tank-mixes with other herbicides if the tank-mix partner allows the use of MSO.
  - Always apply Beyond with a nitrogen fertilizer, such as liquid or dry spray-grade AMS, 28%N, 32%N or 10-34-00. AMS/nitrogen substitutes or replacement products are not recommended in place of AMS, 28%N, 32%N or 10-34-00 unless recommended by BASF.
- Rogue seed production fields for Clearfield wheat variety off-types and weedy biotypes (ex., wheat x jointed goatgrass hybrids).
- Thoroughly clean equipment used to plant, harvest, transport and condition Clearfield wheat to avoid the spread of weed seed.



Always read and follow label directions. Clearfield and Beyond are registered trademarks of BASF.
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For more information on BASF Crop Protection products, visit www.agproducts.basf.us

## Schedule V

## Clearfield® Care Protocol

[See attached]

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## Clearfield® Care Protocol

This Clearfield® Care Protocol (or "CCP") is comprised of two (2) parts, Part I ("Requirements for All Clearfield Production Seed") and Part II ("Species-Specific Requirements"). Licensee will, and Licensee will cause its sublicensee(s) to, comply with Part I and the applicable crop Section(s) of Part II. Capitalized terms used but not defined in this CCP are defined in Section I of, or elsewhere in, the main body of the Agreement or this First Amendment.

## Part I. Requirements For All Clearfield® Production Seed

#### PURPOSE AND SCOPE

The purpose of this CCP is to provide procedures to be followed to ensure that CLP Seed in any of the Stages will meet the BASF Standards including, without limitation, for the lack of Adventitious Presence.

Licensee will, and Licensee will cause its sublicensee(s) to, implement the procedures in this CCP with respect to all Stages of Production. For the avoidance of doubt this CCP applies only to CLP Seed between Stage D and Stage A.

The BASF Standards are not intended to replace any standards that (i) Licensee or its sublicensee(s) has established as of the effective date of this First Amendment or establishes during the term of the Agreement and (ii) **exceed** the BASF Standards (e.g., standards for Adventitious Presence levels that are lower than the level permitted by the BASF Standards, standards for isolation distances greater than those required by the BASF Standards, etc.) including, without limitation, any official certified seed standards established by any applicable law or official seed certification agency or association (an "SCA").

#### ADDITIONAL DEFINITIONS

As used in this CCP, the following capitalized terms have the meanings specified below.

2.1 "Adventitious Presence" or "AP" means the unintentional and incidental presence or commingling of any GM Event in any CLP Seed at levels exceeding those specified in this CCP.

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- 2.2 "Approved GM Event" means, with respect to a given country, a GM Event that is not restricted in any way under the Applicable Law of such country with respect to any use of such GM Event in food, feed, and the environment in such country.
- 2.3 "BASF Standards" means the standard of performance set by BASF for each procedure required by this CCP.
- 2.4 "CCP" has the meaning specified in the first paragraph above.
- 2.5 "Clearfield Herbicide" means any imidazolinone herbicide, including combinations of imidazolinone herbicides with other herbicides or compounds, which is registered pursuant to applicable law for use on the applicable crop in the Territory and which is commercialized (i) under any Clearfield Trademark, (ii) by or on behalf of BASF but not under a Clearfield Trademark, or (iii) by an authorized licensee of BASF or any of its Affiliates.
- 2.6 "Clearfield Production Seed" or "CLP Seed" means, for purposes of this CCP, any Stage of Licensed Product.
- 2.7 "Commercial Approved GM Seed" means, with respect to a given Approved GM Event in a given country, GM Seed for a given crop that contains such Approved GM Event, and is commercialized in such country.
- 2.8 "Genetically Modified Target Sequence" means a foreign DNA fragment, including, without limitation, any vector, vector component, construct, construct component, transgenic sequence, and any transgenic trait or portion thereof, that is (i) inserted into a plant cell's DNA using genetic recombination techniques and (ii) can be detected via MDT.
- 2.9 "GM Country" means, with respect to a given Commercial Approved GM Seed, any country in which such seed is produced and/or commercialized.
- 2.10 "GM Event" means the stable integration of any genetically modified material, i.e., a transgene including, without limitation, non-gene sequences such as, but not limited to, promoters and terminators, into a cell.

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- 2.11 "GM Seed" means any seed that contains a GM Event, including, without limitation any Approved GM Event and any Unapproved GM Event.
- 2.12 "Isolation Zone" means, with respect to a given CLP Seed, the physical distance, between the Production field for such CLP Seed and any other field of the same crop being grown from such CLP Seed, specified for such CLP Seed crop in Part II of this CCP.
- 2.13 "Lot" means a quantity of CLP Seed set by the relevant SCA in order to obtain certification (ii) individually labeled for purposes of being easily and readily identified and tracked in an inventory system.
- 2.14 "MDT" means any and all validated molecular diagnostic test(s) meeting the BASF Standards specified in Article 5, including, without limitation, Section 5.4, of this Part I.
- 2.15 "Non Commercial GM Seed" means, with respect to a given GM Event in a given country, any GM Seed that is not a Commercial Approved GM Seed, including, without limitation, any GM Seed that contains either an Unapproved GM Event or an Approved GM Event that has never been commercialized (including, without limitation, for lack of market acceptance) in GM Seed in such country. For the avoidance of doubt, Non Commercial GM Seed is considered by BASF to be unable to coexist with CLP Seed.
- 2.16 "Non GM Country" means, with respect to a given GM Event, any country in which such GM Event is either an Unapproved GM Event or an Approved GM Event that has never been commercialized (including, without limitation, for lack of market acceptance) in a GM Seed for a given crop in such country.
- 2.17 "Off-Types" means, with respect to a given CLP Seed Production field, any undesirable plant arising from genetic change within the variety, mutation, chromosome aberration, inter-crossing, or other deviation present in the crop being grown from such CLP Seed in such Production field.
- 2.18 "Results" has the meaning specified in Section 5.5.1 of this Part I.
- 2.19 "Roguing" means, with respect to a given CLP Seed Production field, the removal of undesirable plants, including, without limitation, crops other

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than the crop being grown from the CLP Seed in question, varieties and Off-Types of the same crop being grown from the CLP Seed in question, and Weedy Relatives, from such Production field.

- 2.20 "SCA" has the meaning specified in Article 1 of this Part I.
- 2.21 "Secured Site" means a storage facility for CLP Seed contaminated with AP, that is (i) separated and isolated from other seed and (ii) securely locked at all times with access restricted to authorized personnel only.
- 2.22 "Stage(s)" means any of the production (including, without limitation, Production) stages for seed specified below:
  - 2.22.1 "Stage A Seed" means seed intended for commercialization (including, without limitation, Commercialization).
  - 2.22.2 "Stage B Seed" means seed used to produce (including, without limitation, Produce) Stage A Seed.
  - 2.22.3 "Stage C Seed" means seed used to produce (including, without limitation, Produce) Stage A Seed or Stage B Seed.
  - 2.22.4 "Stage D Seed" means seed that is (i) used to produce (including, without limitation, Produce) Stage C Seed and (ii) directly controlled by the originating or sponsoring plant breeding organization.
- 2.23 "Third Party Seed" has the meanings specified in Sections A and E of Part II of this CCP.
- 2.24 "Unapproved GM Event" means, with respect to a given country, a GM Event that is in any way restricted under applicable law of such country with respect to a use of such GM Event in food, feed, or the environment in such country.
- 2.25 "Weedy Relatives" means, with respect to a given Production field, wild relative plants that are sexually compatible with the crop being grown from the CLP Seed in such Production field.

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## 3. REGIONAL RESTRICTIONS: PRODUCTION AND COMMERCIALIZATION IN GM COUNTRIES

If any Stage A Seed, Stage B Seed, or Stage C Seed of a given crop is Produced in a GM Country where there are one or more GM Events for such crop, such CLP Seed may only be shipped to and/or Commercialized in a GM Country(ies) in which Commercial Approved GM Seed containing such GM Event(s) for the same crop as the CLP Seed in question is produced or commercialized. And may not be shipped to, or Commercialized in, any Non GM Country for such GM Event(s) for the same crop as the CLP Seed in question.

#### 4. CULTIVATION BEST MANAGEMENT PRACTICES

### 4.1 CLP Seed Production Isolation

#### 4.1.1 Isolation Distance

Licensee will, and Licensee will cause its sublicensee(s) to, spatially isolate the Production fields of all Stages of CLP Seed of a given crop from other fields planted with Non Commercial GM Seed of the same crop at a distance no less than the relevant Isolation Zone specified in Part II of this CCP for the CLP Seed in question; provided, however, that distances greater than such Isolation Zone must, and should, be utilized if required by applicable law or an SCA, respectively.

## 4.1.2 Roguing of Fields

Licensee will, and Licensee will cause its sublicensee(s) to, undertake Roguing of CLP Seed Production fields with respect to Off-Types and Weedy Relatives.

## 4.2 Rotational Restrictions in CLP Seed Production Fields

4.2.1 Rotational Restrictions Regarding Ground Previously Planted with Commercial Approved GM Seed (GM Country)

Subject to compliance by Licensee and, by extension, its sublicensee(s) of the provisions of Article 3 of this Part I, Licensee and its sublicensee(s) may plant CLP Seed Production fields on ground that was planted with Commercial Approved GM Seed of

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the same crop as the CLP Seed in question, in a given GM Country, provided that Licensee orits sublicensee(s), as the case may be, complies with the relevant rotational restrictions specified in the applicable crop Section(s) of Part II of this CCP.

4.2.2 Rotational Restrictions Regarding Ground Planted with Non Commercial GM Seed

Licensee will, and Licensee will causeits sublicensee(s) to, not plant CLP Seed Production fields on ground that was at any time planted with Non Commercial GM Seed of the same crop.

4.2.3 Rotational Restrictions Regarding Ground Previously Planted with CLP Seed

Licensee and its sublicensee(s) may plant CLP Seed Production fields on ground that was planted, during the immediately previous growing season, with CLP Seed of the same variety.

4.3 Treatment of CLP Seed Production Fields

Licensee will, and Licensee will cause its sublicensee(s) to, spray all CLP Seed Production fields with **Clearfield** Herbicide in accordance with the recommended labeled application rates. Licensee will, and Licensee will cause its sublicensee(s) to, inform the owner of the CLP Seed Production field in question of the spray applications required by this Section 4.3.

Licensee will, and Licensee will cause its sublicensee(s) to, use the **Clearfield** Herbicide in compliance with the Stewardship Guidelines for Growers.

4.4 Physical Separation of CLP Seed from Seed of Crops Other than Crop
Being Grown from such CLP Seed

Licensee will, and Licensee will cause its sublicensee(s) to, separate all CLP Seed from seed originating from other crop, by whatever methods and standards are customarily practiced in the industry, (including, without limitation, any official certified seed standards established by any applicable law or SCA).

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#### 4.5 Equipment and Facilities

#### 4.5.1 Exclusivity of Equipment

- 4.5.1.1 Licensee will, and Licensee will cause its sublicensee(s) to, not use for any Stage of CLP Seed, any equipment that was at any time used in connection with any Non Commercial GM Seed. Examples of dedicated equipment include, but are not limited to, equipment used for planting, harvesting, seed cleaning, and handling.
- 4.5.1.2 Subject to compliance by Licensee and, by extension, its sublicensee(s) of the provisions of Article 3 of this Part I, Licensee and its sublicensee(s) may use, for CLP Seed Produced in a GM Country, any equipment used for any Stage of Commercial Approved GM Seed.

#### 4.5.2 Exclusivity of Storage Facilities

- 4.5.2.1 Licensee will, and Licensee will cause its sublicensee(s) to, establish and implement a labeling and tracking inventory system reasonably acceptable to BASF for all Stages of CLP Seed.
- 4.5.2.2 Licensee will, and Licensee will cause its sublicensee(s) to, segregate in storage facilities all Stages of CLP Seed from any and all Non Commercial GM Seed.
- 4.5.2.3 Subject to compliance by Licensee and, by extension, its sublicensee(s) of the provisions of Article 3 of this Part I, Licensee and its sublicensee(s) do not have to segregate storage facilities for CLP Seed and Commercial Approved GM Seed in a GM Country.

## 4.5.3 Cleaning of Equipment and Facilities

Licensee will, and Licensee will cause its sublicensee(s) to, clean all equipment and facilities used for any Stage of a given crop of CLP Seed before being used for such CLP Seed.

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#### 5. TESTING SEED FOR ADVENTITIOUS PRESENCE

## 5.1 Approved GM Event Contained in Commercial Approved GM Seeds (GM Country)

Subject to compliance by Licensee and, by extension, its sublicensee(s) of the provisions of Article 3 of this Part I, neither Licensee nor its sublicensee(s) is required pursuant to this CCP to conduct, in any GM Country, any screening of CLP Seed (including, without limitation, no requirement to perform any MDT and no requirement to test for any GM Event pursuant to Section 5.2 of this Part 1) for any Approved GM Event which is contained in any Commercial Approved GM Seed in the GM country in question. Although BASF does not require screening under this Section 5.1, Licensee and its sublicensees must comply with all applicable laws which may impose screening and labeling requirements.

#### 5.2 GM Event Testing

Licensee will, and Licensee will cause its sublicensee(s) to, conduct an MDT, and such other testing specified below in this Section 5.2, on all CLP Seed. All CLP Seed required to be subject to an MDT(s), must pass such MDT(s).

### 5.2.1 Crop-Specific GM Event

Licensee will, and Licensee will cause its sublicensee(s) to, conduct scientifically valid test(s) to detect the presence of the crop-specific Genetically Modified Target Sequences specified in Part II of this CCP. Note: Testing for additional Genetically Modified Target Sequences may be required by BASF as the number of known GM Events increases and/or as additional MDTs become available.

## 5.2.2 GM Event within Licensee or its Sublicensee(s)

In addition to those Genetically Modified Target Sequences to which Section 5.2.1 of this Part I refers, Licensee will, and Licensee will cause its sublicensee(s) to, conduct scientifically valid test(s) to detect the presence of all other Genetically Modified Target Sequences which could reasonably be expected to result in AP (i) within Licensee's or any of its sublicensee's Production

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facility(ies) or equipment, and on Licensee's or its sublicensee's property including without limitation field(s) and (ii) after the last scientifically valid test was conducted during the Clearfield breeding or Production process, to detect the presence of such Genetically Modified Target Sequences, including, without limitation, contaminations which could have occurred during Clearfield breeding, in connection with the receipt of germplasm of a third party, or in shipment from a GM Country to a non GM Country prior to the CLP Seed in question being Stage C Seed.

#### 5.3 Sampling

#### 5.3.1 Lots

Licensee will, and Licensee will cause its sublicensee(s) to, sample, in accordance with the provisions of Sections 5.3.2 and 5.3.3 of this Part I, every harvested Lot of CLP Seed, at each Stage, and test such samples for AP using the relevant MDTs.

#### 5.3.2 Sampling Method

Licensee will, and Licensee will cause its sublicensee(s) to, collect each sample using the standard methods of either the International Seed Testing Association or the Association of Official Seed Analysts.

## 5.3.3 Sample Size

Each sample submitted for the MDTs must be sufficient in size to satisfy the detection limit criteria, by Stage, specified for the crop in question in the applicable crop Section(s) of Part II of this CCP.

#### 5.4 <u>Laboratory</u>

Each MDT must be performed by a laboratory that uses accredited methods fulfilling the requirements of ISO17025.

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#### 5.5 Records and Reference Samples

#### 5.5.1 Keeping Records of MDT Results

Licensee will, and Licensee will cause its sublicensee(s) to, keep true and accurate records of all MDT results in electronic and hard copy formats ("Results"). Licensee will, and Licensee will cause its sublicensee(s) to, retain all Results for a period of at least seven (7) years from the date of testing. Licensee will, and Licensee will cause its sublicensee(s) to, provide to BASF the opportunity to review all such Results upon its request.

#### 5.5.2 Keeping Reference Samples of Seeds Tested

Licensee will, and Licensee will cause its sublicensee(s) to, retain a reference sample of at least the same size used for the MDTs for all Lots or portions thereof that are Commercialized or otherwise transferred to another seed producer for a period of at least three (3) years from the date of Commercialization or transfer.

#### 6. DISPOSITION OF CLP SEED

#### 6.1 Lots That Test Negative for AP

Subject to compliance by Licensee and, by extension, all of its sublicensee(s) with all terms and conditions of this Agreement including, without limitation, Part I (including, without limitation, Section 3 of this Part I) and Part II of this CCP, Licensee and its sublicensee(s) will have the right to Commercialize, without any further BASF approval, all Lots that test negative for Adventitious Presence in any country of the Territory.

## 6.2 Lots That Test Positive for AP

### 6.2.1 There is a GM Country for the Detected GM Event

Subject to compliance by Licensee, and, by extension, all of its sublicensees with all terms and conditions of this Agreement including, without limitation, Part I (including, without limitation, Section 3 of this Part I) and Part II of this CCP, Licensee will, and Licensee will cause its sublicensee(s) to, Commercialize, without

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any further BASF approval, any and all Lots that test positive for a given GM Event(s) only in a GM Country in which such GM Event is contained in Commercial Approved GM Seed for the same crop as the CLP Seed in question in such GM Country.

#### 6.2.2 There is no GM Country for the Detected GM Event

If with respect to any CLP Seed for a given crop (i) either Licensee or its sublicensee(s), as the case may be, does not adhere to the BASF Standards including, without limitation, those procedures specified in Article 5 of this Part I or (ii) any Lot tests positive for AP for a GM Event for which there is no GM Country, Licensee will, and Licensee will cause its sublicensee(s) to, (a) retain such CLP Seed at a Secured Site and (b) not transport, without BASF's prior written approval, such CLP Seed from such Secured Site. At BASF's sole discretion and direction, Licensee will, and Licensee will cause its sublicensee(s) to, either:

- 6.2.2.1 Destroy, in accordance with applicable law, the CLP Seed in question; or
- 6.2.2.2 Reproduce the CLP Seed in question, in accordance with (i) a mutually agreed, written protocol, and (ii) the terms and conditions of the Agreement (including, without limitation, this CCP), for purposes of such CLP Seed meeting the BASF Standards for lack of AP.

#### AUDITS AND INSPECTIONS

Licensee will, and Licensee will cause its sublicensee(s) to, permit BASF or its designee to conduct audits and inspections of any and all CLP Seed Production fields, facilities, equipment, Results and other applicable records for purposes of BASF confirming compliance by Licensee and/or its sublicensee(s) with the provisions of this CCP. For the avoidance of doubt, Licensee acknowledges and agrees that BASF's rights under this Article 7 include, but are not limited to, (i) BASF and/or its designee having the right to be present during the performance of any activity associated with adherence to the provisions of this CCP and (ii) BASF and/or its designee having the right to copy or otherwise duplicate Results and any and all documentation concerning the performance by Licensee or its sublicensee(s) of its obligations under Articles 5 and 6 of this Part I.

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Part II Species-Specific Requirements

Section A. Wheat-Specific Requirements

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## PART II, SECTION A WHEAT-SPECIFIC REQUIREMENTS

#### 1. Seed Production isolation

The Isolation Zone for wheat CLP Seed Production is thirty meters (30m).

#### 2. Rotational Restrictions

Wheat CLP Seed Production fields must not be planted on ground that was planted with Commercial Approved GM Seed of wheat (in compliance with Article 3 of Part I of this CCP) during the immediately previous two (2) growing seasons.

#### 3. Crop-Specific GM Event Testing

In addition to Licensee's obligations under Section 5.2 of Part I of this CCP, Licensee will, and Licensee will cause its sublicensee(s) to, test all wheat CLP Seed for the Genetically Modified Target Sequences:

No additional Genetically Modified Target Sequences

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### 4. Testing Requirements

Stage	Testing Requirements	Minimum Sample Size***
Stage D*	The detection limit is one-tenth percent (0.1%) at the ninety-five percent (95%) confidence level.	Three thousand (3000)
Stage C**	The detection limit is one-hundredths percent (0.01%) at the ninety-five percent (95%) confidence level.	Thirty thousand (30,000)
Stage B**	The detection limit is one-tenth percent (0.1%) at the ninety-five percent (95%) confidence level.	Three thousand (3000)
Stage A**	The detection limit is one-tenth percent (0.1%) at the ninety-five percent (95%) confidence level.	Three thousand (3000)

- \* Alternatively, all individual plants producing Stage D Seed can be tested and the plants which test positive for AP must be destroyed before flowering.
- \*\* If Licensee or its sublicensee(s) receives seed of this Stage from any third party ("Third Party Seed"), then Licensee will, and Licensee will cause its sublicensee(s) to, test the very next generation of seed harvested from such Third Party Seed at the 0.01 detection limit at the 95% confidence level. Alternatively, Licensee will, and Licensee will cause its sublicensee(s) to, obtain passing test results, at that detection limit and that confidence level specified above, from such third party for such Third Party Seed.

<sup>\*\*\*</sup> This ensures, with 95% level of confidence that if the lot is homogenously contaminated at the detection limit level, the submitted sample will contain at least 1 GM seed. This doesn't address either the uncertainty linked to the sampling method, or the uncertainty linked to the analytical method; this must be addressed in the sampling and testing scheme developed by Licensee or its sublicensee(s), and can lead to submit bigger samples.

#### Schedule VI

Clearfield Trademarks and Stewardship Guidelines for Clearfield Trademarks





Please note that the color and dimensions of the Clearfield and Clearfield Plus marks as included in this Agreement may not be accurately reproduced. Notwithstanding the appearance of the Clearfield and Clearfield Plus marks in this Schedule VI, AFFILIATE is obligated to use each such Clearfield Trademark in accordance with the terms and conditions of this Agreement, including, without limitation, the Stewardship Guidelines for Clearfield Trademarks.

AFFILIATE shall, and AFFILIATE shall cause its Distributors and agents to, (1) use the Clearfield mark in accordance with the terms and conditions of this Agreement in connection with AFFILIATE's and/or AFFILIATE's Distributors' and agents' Commercialization of Licensed Products containing only one Tolerant Trait, and (2) use the Clearfield Plus mark in accordance with the terms and conditions of this Agreement in connection with AFFILIATE's and/or AFFILIATE's Distributors' and agents' Commercialization of Licensed Products containing more than one Tolerant Trait.

[Additional Stewardship Guidelines for Clearfield Trademarks, including Graphical Identity Standards, provided separately by BASF]

## Schedule VII

**Production Protocol** 

[See attached]





Protocol W-80

#### CLEARFIELD® Wheat Seed Production Guidelines

This document is meant to serve as a quick reference for **CLEARFIELD** wheat foundation, registered and certified seed producers and is not all inclusive of the guidelines required for foundation, registered and certified wheat seed production. Additional documentation is referenced within and its thorough review is recommended. Additional production and certification guidelines may be required by your local seed foundation or seed certification agency.

#### Field Management

- Choose seed production fields that are free of jointed goatgrass, feral rye, downy brome, Italian ryegrass and noxious weeds.
- Choose fields that have been never used for wheat containing genetically modified (GM) or other regulated events.
- CLEARFIELD wheat may only be planted two consecutive years on the same field.
  - If CLEARFIELD wheat is planted two consecutive years, it must be the same variety.
- Fields may not be grazed until 30 days after Beyond® herbicide application.
- Maintain a minimum 10 ft / 3 m isolation buffer to adjacent wheat crop or field. Maintain a minimum of 30 meter isolation buffer to non-deregulated GM wheat crop or field.
  - Recommend planting whole fields or utilize alternative crops for buffers
- Rogue production fields for off-types and weedy relatives.

#### **Equipment Management**

 Thoroughly clean equipment used to plant, harvest, transport and condition CLEARFIELD wheat.

#### Beyond® herbicide Application

- Wheat must be sprayed with Beyond at labeled rate of 4 to 6 oz per acre according to label recommendation for each wheat type and CLEARFIELD wheat genotype. For 2-gene CLEARFIELD wheat varieties, MSO <u>must</u> be added in spray tank at the minimum suggested rate if the tank-mix partner herbicide if used allows MSO.
  - Follow Beyond label for details of application instructions.
  - Do not apply any other ALS-inhibiting herbicide to the CLEARFIELD wheat crop.
  - Additional, broad-spectrum herbicides, ex., Clarity<sup>®</sup> herbicide, may be used for weed control as needed with exception to other ALS-inhibiting herbicides
- Always read and follow product label(s).

#### **Crop Rotation Restrictions**

Read and follow Beyond label for crop rotation restrictions

Last modified: December 2011





Protocol W-80

#### **State Seed Certification**

- Purchase Foundation or Registered CLEARFIELD Wheat seed. Do NOT use "bin-run" seed.
- Seed producer must coordinate state seed certification inspections after crop heading and must submit CLEARFIELD CONFIRM TEST Report for Tolerance Purity to the state certification authority.
- Field must be weed-free of jointed goatgrass and noxious weeds.
- Grain from rejected fields cannot be saved for seed planting for subsequent CLEARFIELD wheat crop.

#### Seed Conditioning

- Utilize approved seed conditioner(s) for seed screening and cleaning.
- Submit conditioned seed to approved seed testing lab for germination, purity and percent imazamox tolerance (≥ 92%)

#### CLEARFIELD® CONFIRM TEST for Tolerance Purity

- All CLEARFIELD wheat seed (sample size ~3,000 seeds) must be submitted to a BASF certified seed testing lab <u>prior</u> to its sale and distribution as certified seed to confirm the acceptable, minimal herbicide tolerance level of 92% to imazamox or Beyond herbicide.
- Records pertaining to CLEARFIELD CONFIRM TEST must be maintained for at least five
   (5) years.
- Certified Seed Producer must submit CLEARFIELD CONFIRM TEST results to the state certification authority for each seed lot.
- Irrespective of State Seed Certification, any seed lot which does not pass the CLEARFIELD CONFIRM TEST shall not be sold as certified seed or saved for planting for subsequent year of CLEARFIELD wheat crop.

#### **CLEARFIELD Care Protocol**

 Follow BASF "CLEARFIELD Care Protocol" (CCP.CF.1) to ensure CLEARFIELD wheat seed is free of adventitious presence of genetically modified or regulated event(s), wherein CLEARFIELD wheat seed may have unintentionally or incidentally commingled with non-CLEARFIELD wheat seed or GM wheat seed.

#### Storage and Handling

- Seed must be identified and preserved after harvest.
- Records must be maintained and clearly identify field location, production data, storage location and seed shipping records.
- CLEARFIELD wheat seed must be clearly identified in approved storage containers.
- Bag tag or bulk certificate must be marked with CLEARFIELD logo.

<sup>\*</sup> CLEARFIELD, Beyond and Clarity are registered trademarks of BASF Corp.

<sup>\*</sup> Always read and follow label directions.

#### Schedule VIII

#### **Quality Control Procedure**

#### Clearfield® CONFIRM TEST for Tolerance Purity

- All seed derived from Licensed Products (sample size ~3,000 seeds) must be submitted to a BASF Wheat Seed certified seed testing lab (listed below) prior to Commercialization to confirm the acceptable, minimal herbicide tolerance level of 92% to imazamox or Beyond herbicide.
- · Records pertaining to Clearfield CONFIRM TEST must be maintained for at least five (5) years.
- Company shall, and/or Company shall cause its sublicensees or Distributors to, submit Clearfield CONFIRM TEST results to the state certification authority for each seed lot.
- Irrespective of State Seed Certification, any seed lot derived from Licensed Product which does
  not pass the Clearfield CONFIRM TEST on the first or second attempt shall not be
  Commercialized, and any such rejected seed lot shall not be saved or used for Production or
  Cultivation.

Seed Testing Lab	Contact	Phone #
Colorado Seed Laboratory Department of Soil and Crop Sciences Fort Collins, CO 80523-1170	Brad Erker	970 - 491 - 6202
Oregon State University Seed Laboratory Department of Crop and Soil Science Oregon State University Corvallis, OR 97331	Sabry Elias	541- 737 - 4799
Nebraska Crop Improvement Association 267 Plant Science Hall Lincoln, NE 68583	David Svik	402 - 472 - 1444
North Dakota State Seed Department 1313 18th St N Fargo, ND 58105	Jeff Prischmann	701 - 231 - 5445
SGS (formerly Mid-West Seed Services) 236 32nd Ave. Brookings, SD 57006	Amanda Patin	605 - 692 - 7611
Wyoming Seed Analysis Laboratory 749 Road 9 Powell, WY 82435	Gil Waibel	307 - 754 - 4750
Washington St Depart of Ag./Seed Program 21 N. 1st Avenue Yakima, WA 98902	Victor Shaul	509 - 249 - 6955